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Fresno, California

September 4, 2001

The City Council met in special session at the hour of 11:02 a.m. in the Council Chambers, City Hall, on the day above written.

Present:	Tom Boyajian	Councilmember
	Brian Calhoun	Councilmember
	Brad Castillo	Councilmember
	Sal Quintero	Councilmember
	Dan Ronquillo	Acting Council President
	Henry Perea	Council President

Absent:	Jerry Duncan	Councilmember
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Dan Hobbs, City Manager
Hilda Cantu Montoy, City Attorney
Rebecca Klisch, City Clerk
Yolanda Salazar, Assistant City Clerk

(11:00 A.M.) RESOLUTION NO. 01-283 - DESIGNATING DOWNTOWN FRESNO AS THE NOMINATION AREA FOR AN URBAN EMPOWERMENT ZONE AND SUPPORTING THE CITY'S APPLICATION TO THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR THE EMPOWERMENT ZONE DESIGNATION, AS AMENDED

Councilmember Castillo gave a brief overview of the issue, stated adoption of the resolution would send a message to HUD that Fresno was committed to revitalization, stressed it was important to receive the designation and thanked staff and the consultant for all their work and efforts in putting the application together in such a short time, stated he fully anticipated the City would receive the designation and made a motion to adopt the resolution, which was seconded and later acted upon.

Economic Development Coordinator Burkhart explained why the issue came about at the 11th hour, gave a power point presentation on the "The Fresno Renaissance Zone" which included the vision, goals, strategies and "signature" programs and displayed maps of the nominated tracts and developable sites on the overhead to illustrate, and responded to questions of President Perea relative to what benefits companies would receive by Fresno receiving the designation **(2 - 0)**.

Barbara Hunt, 944 "F" Street, spoke to the issue.

Acting President Ronquillo thanked everyone involved for all their work and efforts, expressed his support, and commented briefly on the importance of the designation for companies.

Discussion ensued with the consultant and Mr. Burkhart clarifying issues and responding to questions and/or concerns of Councilmembers Quintero, Calhoun and President Perea relative to why certain census tracts/areas in southeast Fresno were not included in the application, concern with the 11th hour presentation and lack of time to review the matter, why developable land on Golden State/Freeway 99 corridor was not included in the application **(3 - 0)** and if that land was valuable, the designated areas being the working committee's recommendations, who served on EZ committee, lack of information on what the designation would do and why the city was applying for it, specifics of the EZ designation and benefits to be derived, capital improvement dollars the city was anticipating to spend, concern with the City being locked into subsidizing permit fees/downtown development, the Tax Incentive Utilization Plan (TIUP), why the emphasis on youth programs and connection to companies, and if the Workforce Development Board had been involved in the process.

President Perea clarified this was a process that had been fast-tracked the last few months at the direction of Council, advised there had been a significant amount of participation within the entire structure through three council offices and explained, and stated this was not the kind of issue to take a council district perspective on but rather what was best for the entire community adding he was very pleased with the work of the group.

Mr. Burkhart and the consultant responded to questions of Councilmember Boyajian relative to whether the nominated tracts and developable sites would receive the same incentives, if per capita income was considered, how the Fresno Yosemite International (FYI) airport qualified, if the FYI area was considered more important than the Freeway 99 corridor, if the Roeding Business park was included, timeline to adopt the subject resolution, and competition for the designations.

Brief discussion ensued on the final date to adopt the resolution and get it to Sacramento, if there was a need to delay action for further consideration by some council members, and if another special meeting should be scheduled.

Ms. Montoy recommended language changes to the resolution title and to the "NOW, THEREFORE" paragraph, which were subsequently accepted by the motion-maker.

Acting President Ronquillo commented on going through the process twice since 1998, clarified the process and issues, stated there was plenty of information from 1998 if someone wanted to research and educate themselves, stated this was not a district oriented issue, and explained why the committee focused on the areas recommended adding the recommendations were unbiased and should be accepted and acted upon this date.

Mr. Burkhart, Ms. Montoy and the consultant responded to additional questions and/or concerns of Councilmembers Quintero and Calhoun and/or clarified issues relative to whether some of the recommended areas were in redevelopment areas, the inner-city fee reduction program already existing and if there was a duplication here, if there were any legal issues with overlapping redevelopment areas with empowerment zones, if the city attorney had reviewed the matter or had any concerns, if Fresno County's support was needed, concern with committing to subsidizing downtown development and fee reductions for eight years, and the resolution specifying reductions in City business license "taxes", not "permit fees". Councilmember Calhoun stated he would not support reducing some mega-project's permit fees by one-half.

The consultant recommended the last line of the first “WHEREAS” paragraph on Page 2 of the resolution be amended to specify “*fees*” and not “*taxes*” and explained, and clarified the City would not be committing to a certain fee reduction percentage or terms at this time and added the flexibility was there to determine circumstances and how much of a fee reduction should be given. Ms. Montoy clarified the fee reduction could be any percentage or none at all and relative to the consultant’s recommendation advised the language should be modified to read “...and offer reduced development fees for EZ area businesses...”. Upon question, the amendments were accepted by makers of the motion.

Councilmember Castillo stated all members came into office with the understanding a commitment would be made to downtown and stressed a fee reduction was one tool to use in that commitment; stressed the designation was bigger than all council districts and members and it would benefit the city and every resident of the community; noted downtown revitalization and economic development were two of the three top priorities that came out of the “Issues and Solutions” summit last April and added the EZ would deal with those two issues (**4 - 0**); urged Council’s support this date; and acknowledging it was the 11th hour advised the staff and the committee had no choice as the guidelines were released only recently and added other communities were also under the same gun.

On motion of Councilmember Castillo, seconded by Acting President Ronquillo, duly carried, RESOLVED, the above entitled Resolution No. 01-283 hereby adopted, ***as amended***, as follows: **(1)** to the title, adding the italicized language: “...Nominating certain census tracts and developable sites for designation under Round III, etc....”, **(2)** on Page 2, the first “WHEREAS” paragraph, modifying the last line to read “...and offer reduced development fees for EZ area businesses...”, and **(3)** on Page 2, modifying the “NOW, THEREFORE” language by adding the italicized language to the last line: “...under Round III of the Federal Empowerment Zone program and nominates the areas shown on Maps 2, 3 and 4 as developable sites. Mayor Alan Autry, Council President Henry Perea and City Manager Dan Hobbs authorized to take all actions necessary to insure the nomination process moves forward including, but not limited to, the execution of required documents.”, by the following vote:

Ayes	:	Boyajian, Calhoun, Castillo, Quintero, Ronquillo, Perea
Noes	:	None
Absent	:	Duncan

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ADJOURNMENT

There being no further business to bring before the Council, the hour of 12:32 p.m. having arrived and hearing no objections, President Perea declared the meeting adjourned.

APPROVED on the 18th day of September, 2001.

ATTEST:_____

Henry Perea, Council President

Yolanda Salazar, Assistant City Clerk

138-103

9/4/01